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REPORT
OF THE WORKING GROUP ON PRICE STATISTICS
ADDIS ABABA, 25-29 JUNE 1979

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A. ATTENDANCE AND ORGANIZATION OF WORK

Opening and duration of the meeting

1. The Working Group on Price Statistics met at the headquarters of the Economic Commission for Africa in Addis Ababa from 25 to 29 June 1979. The meeting was opened by the Deputy Executive Secretary of the Economic Commission for Africa.

Attendance

2. The meeting was attended by representatives of the following member States of the Commission: Djibouti, Egypt, Ethiopia, Gabon, Guinea-Bissau, Kenya, Liberia, Malawi, Nigeria, Rwanda, the United Republic of Cameroon, Zaire and Zambia. The United Kingdom, and UNCTAD, ILO and FAO were represented by observers. A representative of the United Nations Statistical Office was also present.

Election of officers

3. Mr. J.B. Coker (Nigeria) was elected Chairman of the Working Group, Mr. Balepa Martin (United Republic of Cameroon) was elected Vice-Chairman, and Mr. G.H. Olum (Kenya) Rapporteur.

B. AGENDA

4. The Working Group adopted the following agenda:

1. Opening address
2. Election of officers
3. Adoption of the agenda (E/CN.14/NAC/INF.1/Rev.1)
4. Country practices in data collection (E/CN.14/NAC/65)
5. Price data collection and compilation: problems encountered and possible solutions:
   - (a) Consumer prices (E/CN.14/NAC/62 and E/CN.14/NAC/67)
   - (b) Prices in service activities (E/CN.14/NAC/68)
   - (c) Wholesale prices (E/CN.14/NAC/64)
   - (d) Producer prices (E/CN.14/NAC/63 and E/CN.14/NAC/73)
   - (e) Prices of building materials and equipment goods (E/CN.14/NAC/74)
   - (f) Prices in external trade (E/CN.14/NAC/75).

6. Price statistics in national accounts (E/CN.14/NAC/66)

7. International and regional requirements of price statistics

   (a) International and ICP requirements (E/CN.14/NAC/71 and E/CN.14/NAC/72)

   (b) Regional requirements

8. Future programme of work:

   (a) Strategy for national development work (E/CN.14/NAC/70)

   (b) Structure and content of a substantive work programme for the region (E/CN.14/NAC/69)

   (c) Organization and implementation of the programme

9. Adoption of the report (E/CN.14/NAC/76)

C. ACCOUNT OF PROCEEDINGS

Opening address (agenda item 1)

5. The meeting was opened by Mr. Lopo Do Nascimento, Deputy Executive Secretary of ECA, who delivered a statement in which he stressed the importance of price statistics in the evaluation of economic conditions in a country, in the measurement of production trends and in the assessement of inflationary and deflationary pressures. He also mentioned that at its tenth session the Conference of African Statisticians had emphasized the importance of the sustained collection and compilation of price statistics. The Working Group had been established with that purpose in mind and members were therefore called on to identify price data requirements and to recommend suitable methodologies. The aim was to draw up a comprehensive plan for the development of an integrated and co-ordinated system of price statistics in the African countries. He recommended that participants should play an active role in the work of the meeting, exchanging experiences and ideas freely and making suggestions for future follow-up action.

6. The Deputy Executive Secretary pointed out that, to be in line with the United Nations General Assembly resolution adopted in May 1974 calling for the establishment of a New International Economic Order based on the sovereignty and equality of States in a context of interdependence, States must co-operate closely in their economic relations with a view to furthering their development and attaining the objectives they shared.

7. Price statistics provide the basic tool for assessing the present state of external trade, market competition and deteriorating terms of trade. The price at which goods were traded influenced the measures required to bring about price and income stabilization.

8. With a view to measuring economic situations and levels of development more accurately, the United Nations and the World Bank had initiated an international project, the results of which would facilitate intercountry comparison of national accounts aggregates.

Country practices in data collection (agenda item 4) (E/CN.14/NAC/65)

9. The secretariat introduced the document which gave an over-view of what African countries had so far accomplished in the field of price statistics. It covered methods used in data collection and the types of price indexes compiled by the countries at producer, wholesale and retail levels.

10. The basic characteristics tabulated included scope and coverage, sources of data and number of establishments supplying data, number of items or commodities, method of price collection, base period, frequency of calculation, revision of weights, formulae and types of weights used.

11. The materials used in preparing the paper were mainly country replies to an ECA questionnaire and national and international statistical publications in the ECA library. In supplementing the responses by such references, some out-dated information had been introduced into the paper. The secretariat appealed to the countries of the region to co-operate with it when such enquiries are conducted so that reliable and usable information could be made available, particularly concerning the weights used for the indexes, base period, scope and coverage. Such information should cover not only what has already been done in price statistics but also what was planned for the future.

12. Regarding the staffing of the price statistics units in the national statistical offices, the enquiry was geared towards linking price data collection with the African Household Capability Survey Programme. That programme emphasized the establishment of permanent field organizations to collect all types of data on a national basis.

13. Among the observations made by participants were:

(a) The scope and coverage of price statistics used in the region should be extended and improved generally to meet both the immediate requirements for national accounting work and the more general requirements for economic planning and analysis.

(b) The use of sampling techniques in price collection should be encouraged in the region through the development of appropriate sampling frames.

(c) Classifications should be designed, where feasible and appropriate, in close alignment with international recommendations for that work.

(d) Weighting patterns used by countries were frequently too old to be representative; a change of weights preferably every five years, should be aimed at.

(e) The time lag between data collection, compilation, analysis and dissemination should be the subject of attention.

(f) The organization and staffing of prices work in the national statistical offices should be reviewed so as to ensure the most effective use of resources.

Price data collection and compilation: problems encountered and possible solutions (agenda item 5)

- Consumer price data collection in rural and urban areas (agenda item 5 (a)) (Document E/CN.14/NAC/62)

14. The following conclusions were reached at by the Working Group in connexion with this topic. They should be regarded as supplementary to the general recommendations presented later in the report.

Weighting system

15. The weights for consumer prices were normally derived from household budget surveys. It was, however, felt that weights for seasonal items should be adjusted in accordance with the observed prices every year.

Selection of commodities

16. . Where possible, the selection should be done by probability sampling. In most cases, the commodity items should be selected by looking at the relative importance of the items recorded in the survey results on condition that:

(a) All types of items are represented; and

(b) Items should remain unchanged for a long period.

Selection of outlets

17. Sampling methods should be followed where possible. Those countries finding it difficult to follow sampling methods should choose outlets using local knowledge of the situation.

Specification of items

18. For a price index to be accurate, specifications must be clear, giving units and an explicit description of the items. Price collectors should be fully trained on the specifications.

Price data collection

19. Frequency of data collection should be spread to cover the whole month for some items like vegetables and fruits. More generally, the period chosen for price collection should be consistent with the period to which the index referred. It was also felt that price collectors should be rotated to avoid possibilities of respondents giving fixed prices all the time.

Problems of price collection

20. Quotations of prices were normally the cause of price discrimination because the prices given depended on, among other factors, the mood of the sellers and the bargaining power of the price collectors. Quotations of controlled prices should be checked by making actual purchases.

Price collection in rural areas

21. Prices obtained in open markets should be observed if possible twice or thrice in a day. The remaining priciples of rural pricing were essentially the same as for markets in urban areas.

Rent

22. Coverage of rent required detailed examination. Incomplete sampling frames, imputation for owner-occupied dwelling units and estimation of rent values in the rural areas constituted continuing problems and solutions should be found.

- The treatment of rent in consumer price indexes (E/CN.14/NAC/67)

23. This subitem was introduced by a representative of the secretariat who referred to paper E/CN.14/NAC/67. He stressed the importance of the rent component in compiling consumer price indexes in the countries of the region and indicated some of the conceptual and practical problems related to its measurement.

24. In the discussion which followed, the Working Group recommended:

- The adoption of the SNA definition of gross rent in terms of both actual rent and the imputed rent of owner-occupied houses.

- Considering the difficulties involved in the valuation of the SNA imputed rents, the adoption of proxy measures covering selected items of actual expenditure relating to the ownership and occupation of houses should be examined.

- Regular rent quotations, every three or six months on a random sample basis were essential in countries where rent was free of any official restriction. In view of the practical difficulties in sample design and related frameworks, a manual covering the use of probability sampling in price data collection, including rents, should be made available through the United Nations Statistical Office.

Collection of prices in service activities, transport, rent and other activities (agenda item 5(b)) (E/CN.14/NAC/68).

25. After the representative of Egypt had presented the paper, other representatives raised some questions about the coverage of the family budget sample surveys carried out in Egypt. One of the observations was that the time lag among these surveys was rather long (almost ten years). That created some doubts about the accuracy and relevance of the series of prices for the intervening years.

26. Representatives attending the Working Group generally endorsed the procedures outlined in the paper for the collection of prices for service activities, rents and transport. The most important recommendation was that family budget sample surveys should be carried out every five years in order to make the data on consumer prices more representative and valid.

Producer prices (agenda item 5(c)) (E/CN.14/NAC/63 and E/CN.14/NAC/73)

27. After the two documents concerned had been introduced by the secretariat, a number of problems were raised, some of which related to the actual concept of producer prices and the difference between it and the concept of wholesale prices, and others to price observations at the small-farm level where various crops were concerned.

28. With regard to the problems raised, the secretariat gave the definition of agricultural producer prices adopted by the Conference of Agricultural Statisticians held under the auspices of FAO. The difference between wholesale prices and producer prices was also explained. Where price observations at the small-farm level were concerned, the secretariat said that in its opinion, the best sources were the farmers, but that the difficulties inherent in that type of observation, which were due to lack of confidence of knowledge on the part of the farmers, should always be borne in mind.

29. In the case of some crops whose prices were set by the Government, the problem was the same as for other types of prices and arose from transactions which took place in unofficial markets. In such cases, statisticians have to use every means at their disposal, for example, by resorting to direct surveys of purchasing partners to learn the prices charged in large transactions on unofficial markets.

Wholesale price and wholesale price indices (agenda item 5(d)) (E/CN.14/NAC/64)

30. The secretariat gave a brief introduction to this item, which had been touched upon in the consideration of the preceding item. Two problems were raised, one with regard to weighting for purposes of calculating wholesale price index numbers and the other relating to small wholesale establishments, especially those operating in rural areas. With regard to the first problem, the representative of the secretariat pointed out that the weighting factors should be taken from surveys or censuses of wholesale establishments carried out with a view to determining the value of sales of the goods used in the index. As for the second problem, the representative of the secretariat said the most appropriate method was area sampling.

Prices of building materials and equipment goods (agenda item 5(e)) (E/CN.14/NAC/74)

31. The paper began by outlining the institutional structure of the Zambian construction indsutry in order to bring to light which sectors were relevant to the application or use of the price index of building materials. The first part summarized the need for price statistics in general, defining the stages of transactions at which price data could be collected; the second part dealt with developments which had led to a revision of the index and the improvements which had been attempted or effected.

32. In response to questions on the paper, it was pointed out:

(a) That since the source of price data were manufacturers themselves, the prices quoted were essentially wholesale;

(b) That the prices quoted were those paid by the builder or user of the building materials; and

(c) That no other precise index was at present being compiled to supplement the price index of building materials as an indicator of building costs.

Prices in external trade (agenda item 5 (f)) (E/CN.14/NAC/75)

33. The meeting had before it two documents on the item: "Prices in external trade" (E/CN.14/NAC/75) prepared by the ECA secretariat, and another "Measuring import price trends in developing countries", prepared by the UNCTAD secretariat.

34. The ECA secretariat, in presenting its paper, indicated the importance of price measurement in external trade and also indicated some of the problems associated with index number construction in that area and some possible solutions. The weaknesses of unit values (as obtained from customs records) in the measurement of price movements were pointed out. The discussion also covered the usefulness and some problems of collecting specific commodity prices. The long-term work of UNCTAD in the measurement of import unit values was also elaborated on.

35. The observer for UNCTAD then introduced a note describing a new project undertaken in collaboration with the United Nations Statistical Office in which UNCTAD was estimating import price indexes for the developing countries. The new measure relied on specific price series as opposed to the unit value indexes used in earlier work. He pointed out that for some types of primary commodities, the unit value approach, in the absence of actual price data, was probably appropriate. However, for manufactured goods, there was growing empirical evidence indicating that unit value indexes were not appropriate measures of price change.

36. In the ensuing discussion, there was general agreement on the need to measure actual price changes, particularly for manufactured goods, and that unit values were not wholly appropriate for that work even at very fine levels of commodity classification.

37. It was pointed out that specific commodity prices had additional advantages, for example, external trade indexes could be aligned with those for domestic prices, and further, as most countries already had experienced organizations for collecting wholesale prices, they might also be used to collect import and export prices on a systematic basis. The representative of the United Nations Statistical Office informed the meeting that a manual on import and export prices discussing those issues was under preparation.

38. In conclusion, it was agreed that a pragmatic approach to the construction of external trade indexes was essential. Three stages of development were enunciated. They were, first, improvement of existing unit value indexes; second, a selective move towards "hybrid" indexes utilizing both unit values and specific commodity prices; and, finally, a general shift towards the systematic compilation of specific price indexes.

Price statistics in national accounts (agenda item 6) (E/CN.14/NAC/66)

39. A document entitled "Utilization of price statistics in national accounts at constant prices" (E/CN.14/NAC/66) was introduced by the secretariat. The paper gave an overview of the price system, the unit of observation and classification for collecting price statistics, index numbers used within the system, available price statistics and a critical analysis of GDP deflators.

40. The Working Group noted the importance of the SNA as an integrating framework for price statistics and the importance of national accounts series at constant prices. It was also noted that, although the SNA called for estimates of real product in two tables; table 9: "Gross domestic product at constant prices, by kind of activity" and table 12: "Gross output and input of industries at constant prices", most developing countries would have to concentrate initially on estimating table 9.

41. In discussing index numbers, the Working Group noted that, although national accounts estimates should ideally be deflated by Paasche-type indices, in most cases the price indices available for deflating national accounts were of the Laspeyres type. It was noted, however, that the Laspeyeres-type index gave a better indication of the pure price movements from year to year.

42. The Working Group examined the deflators used by ECA in estimating constant price series for those countries which did not themselves produce constant price estimates. It noted that the nature of the deflators actually used by ECA amply confirmed the absence of adequate price data for that prupose.

43. The secretariat recommended that certain procedures should be used in estimating constant price flows in national accounts and drew the attention of participants to some priorities in developing price indices. They included the need to:

(a) Up-date the base year and broaden the coverage of consumer price indices in many countries by conducting household expenditure surveys at the national level:

(b) Develop the collection of data on the expenditures of Government for goods and services and calculate index numbers for those outlays;

(c) Calculate index numbers for building materials and equipment goods for improving estimates of fixed capital formation at constant prices.

International and regional requirements for price statistics (agenda item 7) (E/CN.14/NAC/71 and E/CN.14/NAC/72)

44. The discussion of the item was based on two papers prepared by the United Nations Statistical Office: "A summary review of major international requirements for price statistics" (E/CN.14/NAC/72) and "Price data requirements for the International Comparison Project" (E/CN.14/NAC/72). The first paper was a summary review of the major analytical and policy requirements of the international community for price statistics identified through correspondence and discussion with the agencies concerned. They included the requirements for:

(a) inflation detection, monitoring and analysis; (b) stablization of commodity prices and export earnings; and (c) comparison and analysis of national price levels. The second paper explained in detail the nature of the price data required for the International Comparison Project (ICP) and the general approach to its collection and compilation.

45. The Working Group noted the wide variety and comprehensive nature of the price data now required for the implementation of international programmes and referred to the burden imposed on national statistical services by the scope and frequency of the questionnaires from international statistical agencies. The need to avoid interagency duplication and to simplify as far as possible questionnaires addressed to developing countries was stressed. That would reduce the risk of a wider gap opening between the capabilities of the African countries to provide the data and the requirements of the international agencies.

46. The gap had been particularly evident in the case of the ICP and representatives of the countries participating in the project indicated some concern with the current position. If future participation of countries in the region was to be successfully secured, some attention would have to be paid to the nature of the approach made to the Governments concerned. It was essential that proposals for participation should be made well in advance of data collection and that the data requirements of the project should be fully explained and understood. The nature of the technical support to be provided should also be made clear.

47. In introducing the discussion of regional requirements for price statistics, the representative of the ECA secretariat noted that many of the requirements were identical with the international needs outlined in document E/CN.14/NAC/71. Some additional requirements were, however, generated by the ECA secretariat in the form of price data for ECA statistics publications and for the development of real income, expenditure and product estimates for some countries of the region. There were in addition some requirements generated by analysis and research on terms of trade and comparisons of competivity in external trade. The actual and potential needs of regional work on purchasing power comparison linked with the ICP were also mentioned.

Future programme of work (agenda item 8) (E/CN.14/NAC/69 and E/CN.14/NAC/70)

48. For the discussion of this item and as a basis for the formulation of a regional price statistics programme, the United Nations Statistical Office had prepared two papers: "The development of integrated and co-ordinated approach to national price statistics work" (E/CN.14/NAC/69) and "The application of the M.59 Guidelines to national price statistics work" (E/CN.14/NAC/70). Those papers reflected the general recommendations for the development of national price statistics work which had been promulgated at the international level and which had been endorsed by the Statistical Commission for international application. The recommendations followed closely the broad framework for the development of economic statistics provided by the SNA.

49. In putting forward a programme for price statistics work in the region, the Working Group noted that it had to be tentative in character. Some representatives were specialists in the field of price statistics and could not speak with confidence on all the areas covered by the programme. In dddition, in many cases, the statistical offices or other agencies which they represented did not have jurisdiction over the compilation of price data in all areas. That meant that the programme should be subject to review by the Governments concerned and by the regional Conference of African Statisticians.

50. The programme as drafted consisted of three parts relating respectively to: (a) conceptual and methodological framework; (b) structure and content of substantive work; (c) organization and implementation of activities. The programme was linked to the international price statistics programme developed by the United Nations Statistical Office and covered all major areas of price statistics work, including both requirements for national accounting work and analytical needs. It was designed as a programme to be undertaken at a national level with the support, in designated areas, of the regional commission and the international agencies. No time limit to its implementation was prescribed but it was recommended that it be reviewed and revised periodically to take account of progress achieved and changes in methodologies and requirements in that field. The full programme is reproduced in the annex to the present report.

Adoption of the report (agenda item 9)

51. The report was discussed and after some suggestions and amendments were brought forward, it was unanimously adopted on the 29 June 1979.

ANNEX I

AFRICAN PROGRAMME FOR PRICE STATISTICS

A. Conceptual and methodological framework

1. The basic source of guidance on the concepts and classifications to be used in the system should be the SNA. The related national estimates of the commodity flows of the SNA should provide the main sampling frames for pricing work.

2. The M.59 guidelines (Statistical paper, serie M No 59) should be regarded as providing the immediate framework for the development of the system.

3. The United Nations Statistical Office manuals on (i) producer prices of industrial products; (ii) export and import prices; and (iii) consumer price indexes, which should be available within a year should be the main source of practical guidance on these areas. An FAO manual on agricultural producer prices should also be available shortly.

4. These publications should be supplemented by more detailed ECA recommendations on the subject, where appropriate.

5. The ECA secretariat should periodically compile and disseminate to member countries detailed information on country practices and programmes in price statistics within the region.

6. The classification used in compiling price indexes should take account of the relative importance of the categories in each country but should as far as possible be consistent with international standards (SITC, ISIC, etc.).

7. Laspeyers indexes should be used for pure price measurements and Paasche indexes (or approximations) for national accounts deflation. The base period and weighting pattern for the Laspeyres indexes should be changed as necessary.

8. The need for the adjustment of prices for quality changes should be kept in mind but not over stressed. In broad aggregates, changes in quality may be offsetting.

9. The reliability of compiled indexes should be examined periodically through spot-checks of enumeration and other means.

10. The application of probability sampling should be progressively extended as resources and expertise become available and as appropriate sampling frames are developed.

11. Continuous attention should be given to the timeliness of the compilation of price data and to arrangements for their analysis and dissemination.

12. Special emphasis should be given to the methodological development of rural pricing, particularly within the context of integrated rural surveys.

B. Structure and content of substantive work

Subprogramme 1: Export and import prices (transactions basis)

13. Unit value indexes of exports and imports should be developed generally as proxies for specific price indexes.

14. These unit value indexes should be supplemented for special categories of exports and imports by the progressive introduction of specific price indexes.

15. Where appropriate, SITC-and ISIC-based classifications of these indexes should be compiled with a progressively increasing degree of detail.

16. Steps should be taken as appropriate to align concepts and classifications in this area as closely as possible with domestic pricing work.

17. A study should be made of the problems of compiling unit value indexes in the region and of priorities for their improvement.

18. A study should also be made of the possible use of partner country data in developing reliable unit value or price in exes.

Subprogramme 2: Producer prices (commodity basis)

19. In accordance with M.59, producer price indexes should be developed for the characteristic pr ducts of major sectors of activity. These producer price indexes should initially cover the characteristic products of agriculture and industry. In the services sector, special attention should be given to transport and to retail and wholesale trade (gross margins).

20. The classifications should be primarily in terms of ISIC categories, modified as necessary to take account of products of special importance.

21. A breakdown between production for domestic consumption and production for export should be introduced where appropriate.

22. Valuation should be in terms of producers' values, that is, including all indirect taxes levied on producers.

23. A study should be made by the ECA secretariat to determine the proper definition and application of the concept of producer prices in the case of African agriculture.

Subprogramme 3: Commodity prices (domestic supply)

24. Consideration should be given to the adjustment of the producer price indexes of subprogramme B by export and import price indexes to provide price measures of the domestic supply of commodities.

25. The classification should again be primarily in terms of ISIC categories, modified as necessary to take account of products of special importance. Classifications by end-use and stage of processing should also be considered.

26. Valuation should be in terms of producers' values or the equivalent for imports.

Subprogramme 4: Output and intermediate input price indexes (activity basis)

27. Output price indexes on an activity basis should be compiled annually for major sectors of activity such as agriculture and industry where detailed information on output is available.

28. For key sectors such as agriculture, these indexes should be supplemented by correlated indexes relating to intermediate consumption of goods and services.

29. In both cases, the commodity price information developed for subprogramme C should be used to compile indexes in Laspeyres form. The corresponding Paasche indexes should provide the deflators required for national accounting purposes.

30. The classification should be in terms of ISIC, modified as necessary to reflect the specific national situation.

Subprogramme 5: Labour input prices

31. For deflation and other purposes, wage-rate indexes should be developed for selected occupations across the spectrum of economic activity as defined by ISCO.

32. On an annual basis of compilation, labour-cost indexes should be developed for major ISIC branches of activity other than agriculture. These indexes should cover wages and salaries and all related labour costs.

33. In the latter case, the categories of activity should be aligned with those of the previous subprogramme.

Subprogramme 6: Price indexes of final expenditure

34. In the case of consumer price indexes, attention should be directed to enlarging the coverage of the national population and extending the scope to correpond more closely with the related SNA aggregate.

35. A special study should be made of methods of estimating rent, particularly in the rural areas.

36. Classifications should be aligned as far as possible with those recommended for this work in the SNA.

37. For construction price indexes, proxies should initially be developed through the combination of building material and labour-cost indexes.

38. Indexes for machinery and equipment should initially be compiled on the basis of the commodity pricing of subprogramme C.

39. For other elements of final expenditure, a similar systematic approach should be progressively implemented, using the SNA classifications where appropriate.

Subprogramme 7: Exchange rates and purchasing power parities

40. To facilitate conversion of prices and price indexes in national currencies into terms of international currencies, series on relevant exchange rates should be compiled.

41. These elementary series should be supplemented as appropriate with composite indexes of "effective" exchange rates.

42. A limited and selective programme of purchasing power comparisons within the region should be sustained in conjunction with ICP on either a bilateral or a multilateral basis.

43. A study should be made by the ECA secretariat of the importance of purchasing power comparisons for the region and of the best ways of articulating regional comparison work with the general programme of price statistics.

C. Organization and implementation of activities

44. For the successful implementation of the programme, effective co-ordination should exist at national level among all agencies engaged in price collection work.

45. The particular form of organization adopted should not be critical but a special unit should be charged with the co-ordination work.

46. The skills of staff experienced in pricin work in any area should be pooled as part of the co-ordination effort.

47. Advantage should be taken of the various regional and subregional statistical training programmes organized by United Nations in addition to training at the national level.

48. A permanent field organization should be established where necessary as provided for in the African Household Survey Capability Programme.

49. The needs of price statistics work should be fully considered in the development of the national system of establishment, enterprise and household censuses and surveys.

50. Bilateral exchanges of technical assistance for the development or pricing work should be initiated where appropriate within the region.

51. The programme should be implemented flexibly in the light of the circumstances of each country and the dominant pattern of economic activity.

52. The ECA secretariat should monitor the implementation of the programme and keep member countries informed of all relevant developments.

53. The Working Group should be reconvened from time to time to review the progress and relevance of the programme and to discuss further steps needed to achieve the basic objectives of its work.

ANNEX II

OPENING SPEECH OF THE DEPUTY EXECUTIVE SECRETARY

Distinguished Participants,

1. It gives me great pleasure to welcome you to this important meeting on price statistics. The five days ahead of you will be very challenging, but I hope your stay with us will be a pleasant one.

2. The importance of price statistics cannot be overemphasized. You, as statisticians in your respective offices compiling data on the subject, know better the importance and the role of price statistics in the economy of your country and of all countries in general. On the national level, prices are important in that they are a tool used in assessing, analyzing and controlling the conditions of an economy; in evaluating commodity, general production and employment trends; in detecting inflationary and deflationary pressures in the economy; in measuring the terms of trade and real incomes and in formulating price policies relating to selected kinds of domestic producers and consumers. All these help in assessing the health of the economy and provide guidelines for the formulation of broad economic policies.

3. In ay 1974, the General Assembly of the United Nations adopted a resolution calling for the establishment of a New International Economic Order based on equity, sovereignty, equality, interdependence, common interest and co-operation among all States. This requires a change in the world economic situation. The New International Economic Order is to be founded on full respect of certain principles, which include just and equitable relationship between the prices of raw materials, primary commodities, and manufactured and semi-manufactured goods exported and imported by the developing countries. This type of development calls for economic co-operation among all the member States in order to achieve a common goal. In general terms, many of the resolutions adopted tend to emphasize the need for active participation of developing economies in trade, food, technnology, etc., the main aim being to promote their development and encourage an adequate flow of real resources to them.

4. Statistics provide the basic tool needed to achieve these goals. We are all well aware of the present state of external trade, the imbalances, the continuing competition for markets and the deterioration in the terms of trade of the developing countries. The price at which goods are traded is very important as it determines income levels in the exporting countries and influences the measures required to bring about price and income stablisation.

5. In line with this new development, an International Comparison Project was initiated by the United Nations and the World Bank - and is now supported by the European Community - to calculate indicators of international purchasing power parity in selected countries of the world. Some African countries are included in this project. The results of the exercise will facilitate an inter-country comparison of the main national accounts aggregates. These comparisons based on purchasing power give a more accurate measurement of national levels of development and economic situations.

6. At its tenth session two years ago, the Conference of African Statisticians accepted the challenge to become more operational. It felt that the development of statistics in the region needed a closer follow-up. Price statistics was then chosen as a development topic to which urgent attention should be given, hence this Working Group.

7. To meet the challenge of going "operational", the Conference felt that the respective countries ought to bear participants' travel and subsistence costs while the secretariat provided the technical support. I am glad that your Governments have willingly responded to this challenge and that you are here. This is clear evidence that your Governments see the need for statistical development in Africa and are willing to play a constructive part in bringing this about.

8. This meeting is a Working Group not a seminar. It therefore calls for active participation by each of you. When deciding to hold this Working Group, the Conference of African Statisticians felt that the meeting should be conducted in a different atmosphere from the previous meetings, in other words, that countries should contribute papers and lead the discussion while the secretariat played a supporting role.

9. The task of this Group therefore is to identify price data requirements and recommend suitable methodologies. The aim is to draw up a comprehensive plan for the development of integrated African price statistics. For this you need to exchange experiences and ideas freely, to discuss the problems associated with the topic and come up with possible solutions and recommendations including suggestions for future follow-up action. This is the task that lies ahead of you in the next few days. I am confident, judging from the quality of the participants, that this meeting will achieve its objectives.

10. May I wish you the best of luck in your deliberations and a happy stay amongst us.

Thank you.

ANNEX III

LIST OF PARTICIPANTS/OBSERVERS
LISTE DES PARTICIPANTS/OBSERVATEURS

Country/Pays	Name/Nom	Title/Fonctions
Cameroon	Mr. Martin Balepa	Chef, Service de statistiques de prix
Djibouti	Mr. Hassan Madar	Chef de service Adjoint statistique
Egypt	Mr. Ahmed Gad Mohamed	Director, Department of Financial and Indexes Statistics, C.A.P.M.A.S.
	Mr. Mohamed El-Taieb	Director General, Ministry of Planning
Ethiopia	Mr. Million Tekie	Economic Statistics, Co-ordinator
	Mr. Wodajo Wolega	Team Leader, Household Budget and Prices and Distributive Trade Statistics
Gabon	Mr. Samuel Edzangmezui	Directeur de statistiques générales
Guinea Bisseau	Ms. Pelismina de Pina Monteiro Carvalho de Abrev	Auxiar Técnico de 2^{e} classe Direcço-Geral de Estatistica
Kenya	Mr. G.H. Olum	Senior Statistician/Economist
Liberia	Mr. Taplah J. Payne	Chief, Price and Miscellaneous Statistics
Malawi	Mr. L.F. Golosi	Senior Statistician
Nigeria	Mr. J.B. Coker	Chief Statistician (Household Surveys)
	Mr. G.F. Adiakpantin	Chief Statistician
Rwanda	Mr. Ephaem Twagirayezu	Directeur Général de la statistiques
Zaire	Mr. Citoyen Nzeza	Directeur Scientifiques IRS
Zambia	Mr. F.M. Chikoti	Senior Statistician

Observers/Observateurs

Country/Pays/Organization	Name/Nom	Title/Fonctions
ILO	Mr. A.C. Basu	Regional Expert, Household Surveys
U.K.	Mr. M. Wilson	Statistician, Ministry of Overseas Development
UNCTAD	Mr. M. McPeak	Statistician, Division of Money, Finance and Development
FAO	Mr. G. Coker	Statistician, ECA/FAO

ANNEX IV

LIST OF DOCUMENTS

Number	Title	Symbol	Agenda item
1	Agenda	E/CN.14/NAC/INF.1	
2	Annotations to the Provisional Agenda	E/CN.14/NAC/INF.2	
3	General Information for participants	E/CN.14/NAC/INF.3	
4	Time Table	E/CN.14/NAC/INF.4	
5	List of participants	E/CN.14/NAC/INF.5	
6	Problems encountered in the compilation and utilization of indexes of prices and quantities - possible solutions	E/CN.14/NAC/61	5
7	Collection on consumer price data in urban and rural areas of Kenya	E/CN.14/NAC/62	5(a)
8	Agricultural producer prices	E/CN.14/NAC/63	5(d)
9	Wholesale prices and wholesale price indices	E/CN.14/NAC/64	5(c)
10	Country practices in the collection and compilation of price statistics in the African region	E/CN.14/NAC/65	4
11	Utilization of price statistics in national accounts at constant prices	E/CN.14/NAC/66	6
12	The treatment of rent in consumer price indexes	E/CN.14/NAC/67	5(a)
13.	Collection of prices in service activities - transport, rent and other services - Egypt's experience	E/CN.14/NAC/68	5(b)

Number	Title	Symbol	Agenda item
14	The Development of an integrated and co-ordinated approach to national price statistics work	E/CN.14/NAC/69	8(b)
15.	The application of the M.59 guidelines to national price statistics work	E/CN.14/NAC/70	8(a)
16	A summary review of major international requirements for price statistics	E/CN.14/NAC/71	7(a)
17	Price data requirements for the International Comparison Project	E/CN.14/NAC/72	7(b)
18	Producers' prices for industrial goods	E/CN.14/NAC/73	5(d)
19	Collection of prices on building materials and equipment goods - Zambian experience	E/CN.14/NAC/74	5(e)
20	Prices in external trade	E/CN.14/NAC/75	5(f)
21	Measuring import price trends in developing countries		5(f)
22	Guidelines on principles of a system of price and quantity statistics	ST/ESA/STAT/SER.M/59	Background paper